

114TH CONGRESS
1ST SESSION

H. R. 1087

To ensure that methods of collecting taxes and fees by private citizens on behalf of State and local jurisdictions are fair and effective and do not discriminate against interstate commerce for wireless telecommunications services.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 25, 2015

Mr. SENSENBRENNER (for himself and Mr. ZINKE) introduced the following bill; which was referred to the Committee on the Judiciary

A BILL

To ensure that methods of collecting taxes and fees by private citizens on behalf of State and local jurisdictions are fair and effective and do not discriminate against interstate commerce for wireless telecommunications services.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Wireless Telecommuni-
5 cations Tax and Fee Collection Fairness Act of 2015”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

1 (1) States may designate in-State or out-of-
2 State persons or other entities as collection agents
3 for the State with a duty to collect certain taxes and
4 fees for wireless telecommunications from residents
5 of the State.

6 (2) States have the sovereign right to tax their
7 citizens, subject to the Constitution and the law.
8 States do not have the right to tax interstate com-
9 merce or to impose taxes or other duties on citizens
10 of other States without limitation.

11 (3) Collection agents for a State may feasibly
12 collect fees and taxes from customers in connection
13 with financial transactions to which the agent and
14 customer are parties.

15 (4) Congress can help ensure against unreason-
16 able burdens on interstate commerce by making a fi-
17 nancial transaction a condition of imposing a duty
18 on a person to serve as a collection agent for the
19 State and making such person strictly liable for any
20 failure to collect.

21 **SEC. 3. TRANSACTIONAL NEXUS REQUIREMENT.**

22 No State or local jurisdiction may require any person
23 to collect from, or remit on behalf of, any other person
24 any state or local fee, tax or surcharge imposed on a pur-
25 chaser or user with respect to the purchase or use of any

1 wireless telecommunications service within a State, unless
2 there is a financial transaction between the person from
3 whom the State seeks to require such collection or remit-
4 tance and the purchaser or user of such service. “Wireless
5 telecommunications service” means commercial mobile
6 radio service, as defined in section 20.3 of title 47 of the
7 Code of Federal Regulations (January 16, 2015). “Finan-
8 cial transaction” means that there is a transaction involv-
9 ing cash, credit or any other exchange of monetary value
10 or consideration given by the purchaser or user upon
11 whom the fee, tax or surcharge is imposed to the person
12 required to collect or remit the fee, tax or surcharge. The
13 term “State or local jurisdiction” means any of the several
14 States, the District of Columbia, any territory or posses-
15 sion of the United States, a political subdivision of any
16 State, territory, or possession, or any governmental entity
17 or person acting on behalf of such State, territory, posses-
18 sion, or subdivision that has the authority to assess, im-
19 pose, levy, or collect taxes or fees. This section shall have
20 no effect on a state or local jurisdiction’s right to require
21 the collection of any tax, fee, or surcharge in instances
22 where a financial transaction has occurred.

23 **SEC. 4. ENFORCEMENT.**

24 Notwithstanding any provision of section 1341 of title
25 28, United States Code, or of the constitution or laws of

1 any State, the district courts of the United States shall
2 have jurisdiction, without regard to amount in controversy
3 or citizenship of the parties, to grant such mandatory or
4 prohibitive injunctive relief, interim equitable relief, and
5 declaratory judgments as may be necessary to prevent, re-
6 strain, or terminate any acts in violation of this Act.

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